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ABSTRACT

The average unemployment level on Wisconsin Indian reservations is 39%. Across Wisconsin Indian communities, unemployment ranges from 20% to nearly 70%. A study of Indian unemployment in Wisconsin indicates that the employment level in Indian communities both on and off the reservation is affected by such conditions as the out-migration of Indians in the prime working ages of 25 to 45, the lack of accessability of local economic activity to Native Americans, and the match between the skill levels of the Native American labor force and the skill requirements of the labor market. Several policy implications stem from these findings: making reservation life more attractive to stem the outmigration of prime aged workers; expanding the Indian community's economic base to make employment opportunities more accessible to the Indian population and to help eliminate Indian reluctance to become involved in traditionally non-Indian dominated activities; "trickling down" aid through the larger community to help Indians; developing economic opportunities within the reservation; and upgrading the skills of Native Americans to make them more competitive in the labor market and to aid the Indian community's economic development. (NQ)

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# Alternatives to Unemployment Among Wisconsin Native Americans

by

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When a community's unemployment level reaches 10 to 15 percent, it usually coincides with a local economic crisis. The average unemployment level on Wisconsin reservations is 39 percent. Across Wisconsin Indian communities, unemployment ranges from a low of 20 percent to a high of nearly 70 percent. These statistics represent extraordinarily high levels of unemployed workers but are typical of the reservation situation.

Indians Excluded From American Society

The unemployment problem among American Indians has finally been recognized as such by non-Indian society although it has existed for several decades. Traditionally, the Federal government has viewed Native American people as a sovereign entity worth setting apart from the mainstream of American society. Thus, the government, with the Bureau of Indian Affairs acting as guardian, developed reservations, segregated boarding schools, re-organized tribal governments, and an entire volume of the Code of Federal Regulations devoted to Indian Law.

Moreover, the Indian communities rural isolation and the distinct cultural differences of Native Americans with respect to work habits, have not made them an attractive labor pool. This is especially true in urban American industry which has had access to large numbers of European immigrants and others who desire industrial work.

But Native Americans have preferred and continue to prefer their position as a distinct adjunct to American society. By not becoming a part of the "melting pot," they have preserved valued elements of traditional culture, social life and life style which otherwise might have vanished with the onslaught of European society.

Participation in the mainstream of U.S. society, however, has not gone without rewards. Most American citizens now live in affluence unparalleled in world history. The Native American community is aware of this especially when they compare the poverty of the reservation with their non-Indian neighbor's material well-being. Indian leaders and government officials alike have become concerned about this difference. This concern is magnified when Native Americans, promoting their community's welfare, face empty treaty agreements and unfulfilled promises to eliminate poverty.

## Patterns of Assistance

There are several strategies available to ease the economic hardships Native American communities face. One such strategy, direct relief program to Native Americans, however, is beyond the tribal governments' fiscal capabilities and may also rankle the dominant society's traditional values. A second alternative, providing employment opportunities to Indians, serves as a viable way for securing financial resources for Native Americans.

## Job Creation

Their employment opportunities can be provided in several ways. Native Americans can seek employment in large urban centers and indeed, have given incentives to do so. The lack of economic activity on reservations has led federal officials, at least, to despair of possible local employment and to start relocation programs. These programs trained and located workers in large urban areas that were often far from the reservation. This has broken up the Indian community and has led Indian leaders to look elsewhere for employment alternatives.

A second strategy, more attractive to Native Americans insofar as workers do not have to leave their homes and kinsmen to secure a job, is employment in the local non-Indian community. An even more attractive alternative is employment within the Indian community itself since this provides local employment, strengthens the community's economic base and may give control of the workplace to fellow Indians.

Recent movement of industrial capital from urban to rural areas has given hope to the opportunity of local employment for Indians. The tribe may also engage in entrepreneur activities such as the Menominee Indians of Northern Wisconsin who are renovating a sawmill. Or industry may be recruited as on the Navajo reservation where the General Dynamics Corporation has located. A third possibility is economic development of the community nearest the reservation, considerations of racial prejudice and other employment barriers aside.

The remainder of this article examines conditions affecting the employment level in Indian communities both on and off the reservation. The unemployment level in Native American communities depends on reservation characteristics and the conditions of the larger community in which the reservation exists.

Several intertwining factors affect Indian employment levels. The number of employable persons sufficiently skilled for available jobs is important. Few workers, by necessity, implies few persons to employ. Similarly, most Native Americans on reservations have few and often no salable skills. Thus a job supply with many positions in construction, manufacturing and retail trade will employ more Indians than a labor market oriented toward skilled employment. A final factor affecting Native Americans' ability to secure employment is their participation

in the larger community's economic activity. The number of Indians living off and adjacent to the reservation denotes the extent the Indian community exists as an isolated entity, impervious to the larger community surrounding it.

Research on Indian Unemployment

To study these factors, data were collected on all the major Wisconsin Indian reservations and settlements (not including urban areas such as Milwaukee) and the counties where they are located. The information obtained on reservation conditions is mainly demographic (patterns of residence and age distribution of the Indian population). This is not to say that these are the only important considerations but that these were the variables on which data were available. From what was available, it was apparent little is known about Indian populations statistically.

Tribes included in this study were the Chippewa, Menominee, Oneida, Potawatomie, Stockbridge-Munsee, and Winnebago. The information and findings are focused only on Wisconsin Indian communities; the data also suggest what might be happening on reservations nationally. Data collected on the larger local community consist of economic characteristics such as manufacturing levels and the local labor market's make-up.

The Need for Prime Age Workers

In order to employ people, it is first necessary to have people to employ, a nearly platitudinous statement, yet the most significant factor affecting employment levels among Indians. The prime working age is 25 to 45. In the Native American labor force, the fewer residents in this age bracket the greater level of unemployment. Programs promoting

out-migration for Indians in these highly employable years have created a situation on the reservation where the group left behind is a highly dependent population. The old and young who make-up this group are generally unable to make a substantial contribution to the community's economic base.

The Disadvantage of Reservation Residence

The residence patterns of Wisconsin Native Americans also make a contribution to the reservation unemployment levels. There is a significant relationship between percent of Native Americans living adjacent to reservations and percent of unemployment. More Native Americans living off and adjacent to the reservation will result in higher employment levels. This may indicate a greater involvement in local economic activity occurring off the reservation. By living off the reservation proper, economic opportunities in the larger community are more visible and perhaps more accessable.

Off-Reservation Economic Conditions Affect Native Americans

If Wisconsin Native Americans are able to secure employment in the larger local community, it follows that as the community's economic health improves, so will employment in the Indian community. A good indication of a community's economic development is the number of manufacturing firms located there. The average number of firms in these Wisconsin communities was 59. The county with the fewest plants had seven and the county with the most had 253. Fewer plants means fewer employment opportunities in manufacturing and accompanying activities. The result is higher unemployment among the Native American labor force.

Jobs are Inaccessable to Indians

In addition, a growing economy does not necessarily promise more jobs for Wisconsin Indians. The kinds of available jobs is also important. A demand for technical expertise and a skilled labor force would close employment opportunities to lesser skilled or unskilled Native Americans. A labor force providing opportunities for very low skilled and unskilled workers, however, is likely to raise the employment level in Native American communities. Thus, heavy concentrations of workers in manufacturing, construction, and wholesale and retail trade activities contribute to a lower unemployment level among Wisconsin Indian workers. Activities requiring a somewhat higher skill such as government and service employment exclude Native Americans from the labor market.

Level of Unemployment can be Improved

In short, several conditions act to improve the employment levels in the Wisconsin Native American community. In order of importance they are as follows:

1. The percent of the Native American population in the prime working ages of 25 to 45.
2. The accessability of local economic activity to Native Americans.
3. The economic well-being of the local community in which the Native American community is located.
4. The match between the skill levels of the Native American labor force and the skill requirements of the labor market.

There are several policy implications stemming from the above findings. First to stem the outmigration of prime aged workers,

reservation life needs to be made more attractive. Increasing economic opportunity is one way to do this.

Second, to make employment opportunities more accessible to the Indian population, it may be necessary to expand the Indian community's economic base. This may also help eliminate Indian reluctance to become involved in traditionally non-Indian dominated activities.

Third, because of the evidence of the Native American's dependence on the larger community's economic affairs, one strategy may be to "trickle down" aid through the larger community to help Indians; a method found ineffective in other situations. An alternative to this is to develop economic opportunities within the reservation. This approach would also undoubtedly help the economy of the larger community.

Finally, upgrade the skills of Native Americans to make them more competitive in the labor market and to aid the Indian community's economic development.